



DEPARTMENT OF LEGISLATIVE SERVICES
OFFICE OF POLICY ANALYSIS
MARYLAND GENERAL ASSEMBLY

Victoria L. Gruber
Executive Director

Ryan Bishop
Director

June 28, 2018

The Honorable Brian E. Frosh
Attorney General
200 St. Paul Place
Baltimore, Maryland 21201

Dear Attorney General Frosh:

I am writing on behalf of the Department of Legislative Services to request a formal opinion on the practice of the Governor in periodically including assumed reversions from the Legislative and Judicial branches as part of the fiscal plan submitted in conjunction with the allowance submitted to the legislature on the third Wednesday of January.

As you are aware, Article III, Section 52(11) directs the Governor to include in the annual budget submitted to the General Assembly each January the estimated budgets for the legislature and the Judiciary "without revision." Over the last four terms that cross three different Administrations, a practice has been occurring that appears to be contrary to this provision of the State constitution.

Enclosed to this letter are examples of Appendix A from the *Maryland Budget Highlights* books, which indicate the detailed proposed actions by the Administration for achieving budgetary balance in the General Fund for 11 of the last 16 proposed budgets. In introducing these 11 budgets, the balance stated by the Administration assumed either reversions by the Legislative and Judicial branches, or legislative reductions to both branches of government in each of these proposed fiscal year budgets. While arguably the inclusion of these estimates were not instrumental in achieving a balanced budget on paper, the inclusion of such reversions and across-the-board reductions is a part of the estimated closing balance that is included in the budget summary of the last page of each budget bill. Since the budget bill has the force of law for one year, it appears that including these assumptions as proposed law in the budget bill as introduced is not accepting the estimated Legislative and Judicial branches' budgets "without revision," contrary to the provisions of Article III, Section 52(11).

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To clarify this matter going forward, I would therefore request a formal opinion so that it can be determined whether this practice is constitutional and if not, to provide clarity for the Administration as it prepares a proposed fiscal 2020 budget to submit for consideration at the 2019 legislative session.

Sincerely,



Victoria L. Gruber
Executive Director

VLG/DBJ/msh

cc: President Thomas V. Mike Miller, Jr.
Speaker Michael E. Busch
Senator Edward J. Kasemeyer
Delegate Maggie McIntosh
Mr. Patrick H. Murray
Ms. Alexandra M. Hughes

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail Fiscal Years 2003 and 2004

	2003	2004
Transfers from other funds - 2002 Session		
Central Collection Unit	150,000	
Foreign Vehicle Registration Fund	400,000	
Dedicated Purpose Fund - State Reserve Fund	39,300,000	
Cigarette Restitution Fund	2,450,000	
Injured workers' insurance reserve	30,200,000	
Racing Facility Redevelopment Bond Fund	<u>3,700,000</u>	
Total	<u>85,200,000</u>	
Transfers from other funds - 2003 Session		
Program Open Space - transfer tax overattainment FY 2002 and 2003	38,656,033	
Information Technology - major projects	10,000,000	
Local share of transportation revenue overattainment	17,949,407	
Transportation Trust Fund	150,000,000	
University System of Maryland	29,000,000	
Dedicated Purpose Fund	988,500	
Unclaimed Prize Fund	10,000,000	
Program Open Space - unexpended balances	3,000,000	
Agricultural Land Preservation Fund	10,000,000	
Waterway Improvement Fund	8,000,000	10,000,000
Injured Workers Insurance Fund for future liability	75,000,000	
DHCD - Homeownership programs	2,000,000	
DBED - One Maryland	2,450,000	
DBED - Md. Compet. Advan. (MCAFF)	550,000	
DBED - Small Business Devel. (MSBDA)	1,000,000	
DBED - Enterprise Investment	2,000,000	
DBED - Md. Econ. Devel. Asst. (MEDAFF)	2,000,000	
911 Fund	5,000,000	
State Use Industries	2,000,000	2,000,000
Adjustment to planned transfer from Racing Facility Redevelopment Fund	(1,488,716)	
Racing Commission	1,692,000	393,100
Transfer taxes - FY 2004		55,565,284
Affordable Housing Trust		500,000
Maryland Automobile Insurance Fund (MAIF)		3,000,000
Local share of transportation revenues		102,440,128
Cigarette Restitution Fund	1,387,090	
Transportation Trust Fund		<u>150,000,000</u>
Total	<u>371,184,314</u>	<u>323,898,512</u>
Specific reversions/withdrawn appropriations		
Transit subsidies	1,522,737	
Reversion of prior year encum.	1,179,000	
Ag cost share PAYGO	600,108	
Environment	53,000	
Canal Place	37,714,637	
Additional higher education reduction	6,319,048	
Community College formula reduction	1,435,395	
Aid to Non-Public Institutions of Higher Education additional reduction	28,800,000	
Employee bonus	3,000,000	
Judiciary	<u>1,684,568</u>	
Legislature	<u>82,308,493</u>	
Total		
Reductions - contingent on legislation		
Aid to Community Colleges		9,719,215
Aid to Non-Public Institutions of Higher Education		3,549,920
Baltimore City Community College		2,510,014
Deferred compensation match		7,896,808
After school programs		5,000,000
Local share of cost of property tax administration		10,000,000
Arts council		<u>2,265,100</u>
Total		<u>40,941,057</u>

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2008 and 2009

	2008	2009
Specific Reversions		
Judiciary - Use of Land Records Improvement Fund		(7,318,084)
CCIF - Rehab Option Waiver	(6,000,000)	
Proposed BPW PIN reduction	(5,000,000)	
Judiciary - BPW July 2007	(3,000,000)	
Legislature - BPW July 2007	(1,800,000)	
DLLR - Federal indirect costs	(1,285,586)	
2007 Children's Health program surplus	(1,000,000)	
IAC - Wiring in Schools lease payments	(260,000)	
	<u>(18,345,586)</u>	<u>(7,318,084)</u>

Reductions to allowance contingent on legislation		
DHMH - use Rate Stabilization Fund for Health Care Reform		14,275,000
DHMH - use Rate Stabilization Fund for Oral Health Reform		7,000,000
DPSCS - Correctional Officers - 12 hour shifts		8,637,744
DPSCS - Drinking Driver Monitoring Program fee increase		1,400,000
Judiciary - cap local Circuit Court Rental Payments		500,000
MSDE - Library Aid - defer increase		3,387,403
MHEC - Aid to Private colleges and universities - defer increase		5,624,749
	<u>-</u>	<u>40,824,896</u>

Adjustments to Revenues - Other		
Medicaid purchases of Vital Records	1,560,000	
CCU - Uninsured Motorist Cases		2,000,000
Lottery - Stadium Authority Adjustment		1,000,000
	<u>1,560,000</u>	<u>3,000,000</u>

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2009 and 2010

	2009	2010
Adjustments to Revenues - Other		
BPW Capital Appropriation - unspent appropriation	1,000,000	
DPSCS - Special fund recovery	303,214	
DHMH - Vital Records fees	70,000	70,000
Repeal Mined Coal Tax Credit		9,000,000
Lottery - Adjust Sales Commissions Level		8,570,000
DHMH - Cost Settlement Revenue	6,435,889	143,000
Chesapeake Bay 2010 Fund - Divert to GF		6,487,556
DHMH - Hospital Patient Recoveries		2,333,183
Office of Administrative Hearings - Traffic Violations fees		750,000
Federal reimbursement for cemetery expansion		60,000
	<u>7,809,103</u>	<u>27,413,739</u>
Specific Reversions		
DHR - Energy Assistance	(21,700,000)	
Planning - Heritage Tax Credit	(4,700,000)	
Legislature	(8,371,429)	
Judiciary	(5,560,763)	(10,233,509)
Children's Cabinet Interagency Fund	(6,741,888)	
DBED - Veteran's Loan Program	(1,000,000)	
State Department of Education	(6,000,000)	
IAC - Aging Schools	(308,478)	
Budget and Management	(103,700)	
Board of Public Works	(40,000)	
	<u>(54,526,258)</u>	<u>(10,233,509)</u>
Planned Expenditure Reductions - Board of Public Works		
Furloughs	(34,400,000)	
Abolish 250 Vacant Positions	(9,200,000)	
MSDE - Geographic Cost of Education Index	(37,879,748)	
DHMH - Local Health Grants	(10,122,216)	
MHEC - Aid to Community Colleges	(8,182,970)	
Agency Reductions under review	(54,159,000)	
	<u>(153,943,934)</u>	

APPENDIX A
GENERAL FUND BUDGET SUMMARY
Detail - Fiscal Years 2010 and 2011

	2010	2011
Adjustments to Revenues - Other		
DolT - Telecommunication Litigation Recoveries		15,000,000
Statewide - Special Fund Interest	10,000,000	11,000,000
DHMH - Miscellaneous Revenues	4,314,176	
Comptroller - Corporate Purchasing Card rebates	700,000	
Allocate Moving Violations Revenue to the GF	2,000,000	2,000,000
MSP - Revenues from Salvage Program	370,953	
Office of Administrative Hearings	100,000	
DPSCS - unspent capital appropriation	2,455,987	
Allocate Admissions and Amusement Tax to the GF	2,900,000	2,000,000
DHMH - Pfizer Settlement	5,145,972	
Abolish Mined Coal Tax Credit		4,500,000
Job Creation Tax Credit		(20,000,000)
Tobacco Conversion Program Bond repayment		1,823,000
Unclaimed Property		512,000
Attorney General settlement - Outdoor World	500,000	
DHMH - Hospital Patient Recoveries		4,000,000
Treasurer - Banking Recoveries	40,000	
Revenue Transfer from Maryland Environmental Service	500,000	
Stadium Authority Rent Payment	2,000,000	
	<u>31,027,088</u>	<u>20,835,000</u>
Specific Reversions		
General Assembly	(5,000,000)	(1,000,000)
Judiciary	(8,500,000)	(5,000,000)
DHMH - 2009 Medicaid Surplus	(8,700,000)	
DHMH - other	(4,167,500)	
Planning - Heritage Tax Credit	(2,000,000)	
Planning - other	(250,000)	
Agriculture	(45,000)	
School for the Deaf - Furloughs	(450,000)	(450,000)
DLLR - SAEF	(400,000)	(608,000)
State Department of Education	(1,329,392)	
Public Safety and Correctional Services	(2,100,000)	
Juvenile Services	(376,472)	
GOCCP - Local Law Enforcement Grants	(280,000)	
African American Museum	(81,371)	
	<u>(33,679,735)</u>	<u>(7,058,000)</u>
Transfers from other funds - 2009 session		
DBED - MD Economic Development Assistance Fund (MEDAAF)	6,000,000	
Local Highway User Revenues	161,919,000	101,919,000
Transfer Tax - 2010 revenues	30,971,139	
Catastrophic Event Fund - State Reserve Fund	7,398,109	
Central Collection Unit	10,000,000	
	<u>216,288,248</u>	<u>101,919,000</u>

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APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2011 and 2012

	2011	2012
Adjustments to Revenues - Other		
DolT - Telecommunication Litigation Recoveries		10,000,000
Premium Tax - Eliminate IWIF exemption		6,000,000
Bad Driver Surcharge		5,000,000
Abolish Mined Coal Tax Credit		4,500,000
DPSCS - Parole and Probation Supervision Fees		4,000,000
Allocate Admissions and Amusement Tax to the GF		3,200,000
Retirement - Statewide Indirect Costs		362,839
DLLR - Board of Locksmiths		100,000
Comptroller - Abandoned Property		500,000
Interest on Investments - DDA Prospective Payments		525,000
DHMH - Chronic Hospitals		1,200,000
DHMH - Specialty Hospital Assessment		300,000
MSD - Tuition Revenue		167,000
Moving Violations		4,100,000
Misc. Revenues - Adjust DHMH revenues	(2,977,129)	(45,975)
	<u>(2,977,129)</u>	<u>39,908,864</u>
Specific Reversions		
School for the Deaf - Furloughs	(450,000)	
DLLR - SAEF	(2,908,000)	(435,000)
MSDE - prior year Nonpublic Placements Program	(4,000,000)	
DHMH - OCME building repair funds	(10,000)	
DHCD - prior year cash flow adjustment - Rental Allowance Program	(500,000)	
Legislature - Health Benefits		(220,527)
Judiciary - Health Benefits		(923,105)
	<u>(7,868,000)</u>	<u>(1,578,632)</u>
Specific Reversions contingent upon legislation		
Legislature - Retiree prescription drug benefits		(365,013)
Judiciary - Retiree prescription drug benefits		(1,527,870)
Legislature - Teachers and Employees Retirement Benefits		(561,265)
Judiciary - Teachers and Employees Retirement Benefits		(1,657,667)
	<u>-</u>	<u>(4,111,815)</u>
Transfers from other funds - 2010 session		
Local Income Tax Reserve	200,000,000	
University System of Maryland	11,731,321	
Morgan State University	750,574	
St. Mary's College of Maryland	204,368	
Baltimore City Community College	822,287	
DHMH - Boards and Commissions various balances	1,300,000	
DHMH - Spinal Cord Injury Research Trust Fund	500,000	
Central Business Licensing - various Special Funds	479,196	
Furloughs - various Special Funds	5,995,218	
DBM - Central Collection Unit	20,000,000	
	<u>241,782,964</u>	<u>-</u>

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2012 and 2013

	2012	2013
Adjustments to Revenues - Other		
Sales & Use Tax - Remote Sellers		21,000,000
Tax on Other Tobacco Products		19,935,000
Corporate Income Tax - property tax credits for telecom companies		9,023,621
Franchise Tax - MD Mined Coal		6,000,000
Sales & Use Tax - Resale of Mobile Homes		1,400,000
Sales & Use Tax - precious metal coins or bullion		3,000,000
Lottery - Maintain 5% commission		8,800,000
Motor Fuel Tax - divert portion from Chesapeake Bay 2010 Fund		8,000,000
Unclaimed Property - balance		8,023,380
DHMH - Glaxo Medical Settlement		7,500,000
Sales & Use Tax - Digital Downloads		5,000,000
DBM - Central Collection Unit	2,494,150	2,469,958
DLLR - SAEF Revenues	2,745,255	
Lottery - Internet Lottery		2,200,000
DHMH - OHCQ fees		2,173,800
Individual Income Tax - W2 Electronic Matching		2,000,000
DHMH - Merck Medical Settlement		1,596,570
DHMH - Newborn Screening Fee		1,360,000
PEPCO Fine		1,000,000
DHMH - Death Certificate fees		738,540
Sales & Use Tax - Cylinder demurrage		700,000
Federal reimbursement for cemetery expansion		700,000
Comptroller - Unclaimed Property		500,000
DHMH - Food Control Fees		480,250
Office of Administrative Hearings Fee		457,389
Retirement Statewide Indirect Costs	362,839	382,426
Maryland School for the Deaf - Tuition Revenue	167,000	168,636
DHMH Community Services Fees		50,000
Hosp. Patient Recoveries - Assisted living		(23,347)
HUR revenues under estimate	(4,348,498)	
MSDE - Reimbursement for federally funded teacher's retirement		(37,100,000)
	<u>1,420,746</u>	<u>77,536,223</u>
Specific Reversions		
DBED - MIDFA Restricted Funds	(2,400,000)	
MDP - Sustainable Communities Tax Credit	(2,000,000)	
CCIF - Children's Cabinet	(2,598,750)	
DHCD - Rental Assistance	(136,000)	
Judiciary - Legislative Reductions to reduce budget growth		(5,000,000)
	<u>(7,134,750)</u>	<u>(5,000,000)</u>

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2014 and 2015

	2014	2015
Adjustments to Revenues - Other		
Helicopter Sales		17,600,000
Lottery Commissions		8,816,310
Chesapeake Bay Trust Fund	8,000,000	3,200,000
DLLR SAEF		1,328,000
Sales Tax Exemption Restriction - Film Production		190,000
GlaxoSmithKline Settlement	5,885,188	
DGS Revenue	339,000	
Research and Development Tax Credit		(774,542)
Cyber Tax Credit		(1,000,000)
Biotechnology Tax Credit		(2,000,000)
Film Tax Credit		(3,500,000)
	<u>14,224,188</u>	<u>23,859,768</u>
Specific Reversions		
MGA - Health/Retiree Health Insurance	(1,047,318)	(286,223)
MGA - Statewide Personnel System	(46,972)	
MGA - Retirement	(239,033)	(468,109)
Judiciary - Health/Retiree Health Insurance	(2,554,238)	(1,259,526)
Judiciary - Statewide Personnel System	(193,394)	
Judiciary - Retirement	(763,324)	(1,469,923)
Judiciary		(1,212,269)
MEA - PAYGO Appropriation	(7,200,000)	
Stadium Authority - Bond Refunding	(250,000)	
Health Exchange - Prior Year Encumbrances	(1,660,000)	
TEDCO	(400,000)	
Office of Administrative Hearings	(83,000)	
Oil Control Program	(550,000)	
Higher Education	(299,803)	
State Treasurer's Office - Cash Management System	(200,000)	
State Personnel System	(7,306,804)	
DHMH - FY 2013 Medicaid Surplus	(19,000,000)	
	<u>(41,793,886)</u>	<u>(4,696,050)</u>
Transfers from other funds		
University System of Maryland		25,814,997
Sustainable Communities Tax Credit		19,096,632
Chesapeake Bay Trust Fund	2,400,000	
Maryland Correctional Enterprises	800,000	
Biotech Tax Credit Fund	650,000	
Radiation Control	300,000	
	<u>4,150,000</u>	<u>44,911,629</u>
Reductions to allowance contingent upon legislation		
Reinvested Savings		(86,319,856)
MHEC - Limit Growth in Community College Formula to 5%		(4,595,626)
MHEC - Level Fund Aid to Private Colleges and Universities		(3,902,335)
DHMH - Savings in Medicaid from reduced MHIP assessment		(1,500,000)
MDA - Level Fund MARBIDCO		(1,125,000)
SDAT - Use Charter Unit Fund to Support Operations		(321,535)
		<u>(97,764,352)</u>

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2015 and 2016

	2015	2016
Adjustments to Revenues - Other	3,000,000	
Maryland Stadium Authority	842,304	
Maryland Environmental Service	10,000,000	
DHMH - Early Medical Loss Ratio payment	456,116	1,428,458
Lottery - Revenue Adjustment	1,630,000	
DLLR - SAEF Funding (July 2014 BPW)	828,500	1,842,750
Sunny Day Repayment Diversion		580,000
Comptroller - Unclaimed property advertisements		1,498,276
Health Benefit Exchange Reductions - Premium Tax		5,300,000
Office of the Attorney General - Medicaid Fraud and Securities Division		12,000,000
Comptroller - Tax Compliance Initiatives		125,000
Veteran's Cemetery Funding		883,763
DBED - Unallocated Film Tax Credit		2,000,000
Comptroller - Limit REITC to in-state Individuals		8,639,632
Chesapeake Bay 2010 Trust Fund	<u>16,556,920</u>	<u>34,097,879</u>
Specific Reversions		
MDP - Heritage Areas	209,000	
MDP - Sustainable Communities Tax Credit operating revenue	58,000	
MGA - Salary Plan Adjustment		938,000
Judiciary - Increment Eliminated		6,605,000
Judiciary - Salary Plan Adjustment		3,606,000
MSDE - Montgomery County Teacher Retirement Costs	500,000	
Office of Administrative Hearings (July 2014 BPW)	5,769	
State Retirement - (July 2014 BPW)	5,769	
MSDE - Out of county placements (July 2014 BPW)	600,000	
MSDE - Autism Waiver (July 2014 BPW)	2,800,000	
MSDE - Out of county placements	900,000	
	<u>5,078,538</u>	<u>11,149,000</u>
Transfers from other funds		
DPSCS - Maryland Correctional Enterprise (2014 session)	1,000,000	
DNR - Program Open Space Unencumbered Balance	10,500,000	
MEA - Strategic Energy Investment Fund	6,000,000	
Baltimore Community College	4,000,000	4,000,000
State Unemployment Trust Fund	4,000,000	
MEA - Jane E. Lawton Conservation Loan Fund	3,000,000	
DLLR - Mortgage Lender Originator Fund	3,000,000	
DHMH - Board of Nursing	2,500,000	
DHMH - Board of Physicians	1,800,000	
DHMH - Board of Pharmacists	1,600,000	
DHMH - Spinal Cord Trust Fund	1,000,000	
DNR - Waterway Improvement Fund	2,180,000	
MHEC - Health Personnel Shortage Incentive Fund	1,700,000	
MDA - Bay Restoration Fund	1,375,000	
DGS - Helicopter Replacement Fund	269,741	
Local Income Tax Reserve Fund	<u>100,000,000</u>	
	<u>143,924,741</u>	<u>4,000,000</u>

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2016 and 2017

	2016	2017
Adjustments to Revenues - Other		
MSDE - SWCAP Revenue	3,600,000	3,600,000
Lottery Revenue Adjustment		15,508,211
Program Open Space Reduced Transfer		(20,000,000)
Refundable Earned Income Tax Credit Phase-In		(18,000,000)
Miscellaneous Fee Reduction		(5,200,000)
	<u>3,600,000</u>	<u>(24,091,789)</u>
Specific Reversions		
Section 48 - Medical Provider Reimbursement	(26,564,295)	
Section 48 - BPW PAYGO	(10,200,000)	
Section 48 - DHR Assistance Payments	(13,000,000)	
Section 48 - MSDE Foundation Formula	(11,910,705)	
Section 48 - Dedicated Purpose Account	(21,435,000)	
DHMH - Medical Provider Payments	(161,622,945)	
DHMH - Behavioral Health	(11,500,000)	
DHMH - Prior Year Medical Accrual	(34,000,000)	
BPW PAYGO Prince George's Fields	(2,800,000)	
DJS - Major IT encumbrance	(3,000,000)	
DHR - Foster Care/Out of Home Placements	(8,410,139)	
MSDE	(1,027,716)	
Shared Services - Department of Aging	(85,955)	
Shared Services - Commission on Civil Rights	(26,249)	
Shared Services - Planning	(71,127)	
Shared Services - State Archives	(54,009)	
Judiciary - Health Insurance		(1,209,001)
General Assembly - Health Insurance		(222,983)
	<u>(303,688,140)</u>	<u>(1,431,984)</u>
Across the Board Reduction		
Section 19 - Health Insurance Reduction		(12,233,588)
Section 20 - Position Reduction		(20,000,000)
		<u>(32,233,588)</u>
Transfers from Other Funds		
State Unemployment Trust Fund (2015 Session)	4,000,000	
DHMH - Spinal Cord Trust Fund (2015 Session)	500,000	
	<u>4,500,000</u>	

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2017 and 2018

	2017	2018
Adjustments to Revenues - Other		
Lottery Revenue - BPW Reduction	982,000	
Volkswagen Settlement Revenue	12,000,000	
Maryland Environmental Service	2,000,000	
Lottery Revenue - Repeal Chapter 727 of 2016 transfer	1,000,000	1,000,000
Veteran's Cemetery Funding	236,000	
DLLR - SAEF revenues		900,000
Lottery - Budget adjustment		(800,230)
	<u>16,218,000</u>	<u>1,099,770</u>
Specific Reversions		
Restricted Funding		
DGS - Critical Maintenance	(500,000)	
DHMH - Behavioral Health Administration	(2,130,000)	
DHMH - Supports Intensity Scale and Individual Indicator Rating	(214,000)	
DHMH - Entry Points report	(100,000)	
Children's Cabinet - Youth Services Bureaus and case management	(3,489,624)	
MHEC - Various legislative initiatives	(1,100,000)	
Commerce - Biotechnology Business Support	(400,000)	
Reserve Fund - Restricted funds in the Revenue Stabilization Account	(79,959,234)	
DHMH - DDA expenditure trends	(17,097,963)	
Public Safety - Vacant position salary savings	(5,000,000)	
MSDE - Non-public placements	(5,000,000)	
MSDE - Out of County Placements	(200,000)	
MDE PAYGO - Drinking Water Revolving Loan Fund	(3,003,000)	
MDE PAYGO - Water Quality Revolving Loan Fund	(6,792,000)	
MDE - Operations	(803,000)	
General Assembly - Retirement reversion		(268,111)
Judiciary - Retirement reversion		(918,366)
	<u>(125,788,821)</u>	<u>(1,186,477)</u>
Contingent Reductions		
Disparity Grant - Repeal mandate		(4,601,183)
Disparity Grant - Level fund to FY 2017		(3,842,387)
Police Aid - Level fund to FY 2017		(465,142)
SDAT - Include Executive Direction under State/Local cost share		(2,124,135)
SDAT - Increase State/Local cost share to 30%/70% from 50%/50%		(8,738,572)
Agriculture - Phase in Next Generation Farmland funding over 2 years		(2,500,000)
DHMH - Level fund local health formula		(747,276)
DHMH - Restructure the payment to Prince George's Regional Medical Center		(15,000,000)
DHMH - Community Services for the Uninsured		(3,750,000)
DHMH - Use Senior Prescription Drug revenue for mental health services		(1,086,000)
DHMH - DDA providers 2% rate increase		(8,444,522)
DHMH - Delay Medicaid Deficit Assessment buy down for 1 year		(25,000,000)
DLLR - Repeal Maryland Center for Construction Education and Innovation		(250,000)
DLLR - Funding Racing Commission from the Purse Dedication Account		(2,505,378)
MSDE - Repeal Public Schools Opportunities mandate		(7,500,000)
MSDE - Repeal Next Generation Scholars mandate		(5,000,000)
MSDE - Repeal Robotics Grants mandate		(250,000)
MSDE - Repeal Enoch Pratt expanded hours mandate		(3,000,000)
MSDE - Repeal teacher stipend and retention grants mandate		(8,000,000)
MHEC - Level fund the Sellinger formula		(6,574,208)
USM - Reduce funding guideline mandate		(4,000,000)
DHCD - Reduce PAYGO mandates		(45,625,000)
Reserve Fund		(40,000,000)
Statewide - Reduce Pension Sweeper mandate for one year		(48,813,523)
		<u>(247,817,306)</u>
Transfers from Other Funds		
Public Safety - Maryland Correctional Enterprises		2,500,000
		<u>2,500,000</u>

APPENDIX A
GENERAL FUND BUDGET SUMMARY (cont.)
Detail - Fiscal Years 2018 and 2019

	2018	2019
Adjustments to Revenues - Other		
Volkswagen Settlement	22,000,000	
Central Collection Unit Savings	600,000	
Lottery Revenue Transfer to DLLR Savings	350,000	350,000
Lottery Revenue Adjustment	(2,833,333)	4,904,947
Settlement Revenue Lower than Expected	(5,677,810)	
Military Retirement Income Legislation		(12,500,000)
Hometown Heroes Legislation		(2,000,000)
Small Business Relief Tax Credit Legislation		(5,000,000)
	<u>14,438,857</u>	<u>(14,245,053)</u>
Specific Reversions		
MHEC - College Savings Plan Match	(4,546,250)	
MSDE - Quality Teacher Stipends	(1,500,000)	
MSDE - Teacher Induction, Retention, and Advancement Program	(1,145,000)	
MSDE - Anne Arundel Teacher Pilot Program	(950,000)	
MSDE - Juvenile Services Education	(700,000)	
MSDE - Out of County Placements	(200,000)	
MDH - Medicaid Prior Year Accrual	(28,000,000)	
Section 19 Health Insurance Reduction - Legislature	(950,942)	
Section 19 Health Insurance Reduction - Judiciary	(4,549,245)	
	<u>(42,541,437)</u>	
Contingent Reductions		
SDAT - Increase the local cost allocation to 90/10		(19,689,769)
MDH - Authorize funding Cord Blood for Maternal and Child health		(250,001)
MDH - Authorize funding from Advance Directives for Maternal and Child health		(497,000)
MDH - Level fund Local Health Departments		(890,794)
MDH - Limit provider rate increase for BHA providers to 2%		(7,942,754)
MDH - Limit provider rate increase for DDA providers to 1%		(14,638,439)
MDH - Utilize Community Health Resource Commission for the uninsured		(2,000,000)
MDH - Utilize Trauma Physicians Services Fund Balance in Medicaid		(8,000,000)
MDH - Reduce Medicaid Deficit Assessment to \$25 million		(10,000,000)
BPW PAYGO - University of Maryland Capital Region Medical Center		(29,000,000)
DLLR - Consolidation of Financial Regulation Special Funds		(1,258,607)
MSDE - Reduce funding to the FY 2018 level for Public School Opportunities Fund		(5,000,000)
MSDE - Reduce funding for the Next Generation Scholars Program		(5,000,000)
MSDE - Reduce funding for the Teacher Induction and Retention Program		(5,000,000)
MSDE - Reduce funding for Quality Teacher Stipends		(2,100,000)
MSDE - Reduce funding for Anne Arundel teacher pilot program		(1,900,000)
MSDE - Reduce funding for the Robotics grant program		(250,000)
MHEC - Level fund the Sellinger Grant		(7,364,333)
MHEC - Reduce funding for 529 Plan Match		(5,000,000)
BCCC - Level fund Baltimore City Community College		(851,000)
USM - Level fund funding guidelines		(4,000,000)
USM - Level fund University of Maryland Center for Economic and Entrepreneurship Development		(2,000,000)
DHCD - Reduce PAYGO funding for Baltimore Regional Neighborhood Initiative		(9,000,000)
DHCD - Reduce funding for Seed Community Development Anchor Institution Fund		(5,000,000)
Commerce - Reduce funding for Arts Council		(1,000,000)
Reserve Fund - Pension Sweeper		(50,000,000)
Reserve Fund - Rainy Day Fund		(193,000,000)
Reserve Fund - Program Open Space Repayment		(15,000,000)
		<u>(405,632,697)</u>
Back of the Bill Reduction		
Section 19 - Health Insurance Reduction	(54,499,813)	
Transfers from Other Funds		
University System of Maryland Fund Balance	9,000,000	